### DRAFT

August 14, 2008

RECEIVED
AUG 2 5 2008

Corey Thurston Western Clay Company 620 East State Hwy 24 Aurora, UT 84620

DIV. OF OIL, GAS & MINING

Subject: <u>Initial Review of Notice of Intention to Amend Large Mining Operations, Western Clay Company,</u> Bentonite Pits, M/041/012, Sevier County, Utah

Dear Mr. Thurston:

The Division has started our review of your draft Notice of Intention (NOI) to Amend Large Mining Operations for the Bentonite Pits mine, located in Sevier County, Utah. After a cursory review of the information, the Division has determined that the notice meets the qualifications to be considered an amendment, rather than a revision, since the reclamation plan will not differ substantially from the approved plan.

Before the Division can issue final approval for this amendment, the following needs to be provided:

#### • R647-4-101 - Filing Requirements

General Comment

During our review, it was noted that there are several minor inconsistencies within your approved Notice of Intent. It appears that most of these resulted from amendments that were made in the past, which did not necessarily catch all of the text changes within the NOI. Therefore, we are asking that you provide us with a comprehensive plan that incorporates your original NOI and all the amendments that have been made to date (including this one). Please pay particular attention to map features, legends, north arrows, and acreages to make sure they are accurate and are consistent between each map and the text. Please provide this consolidated NOI by November 24, 2008.

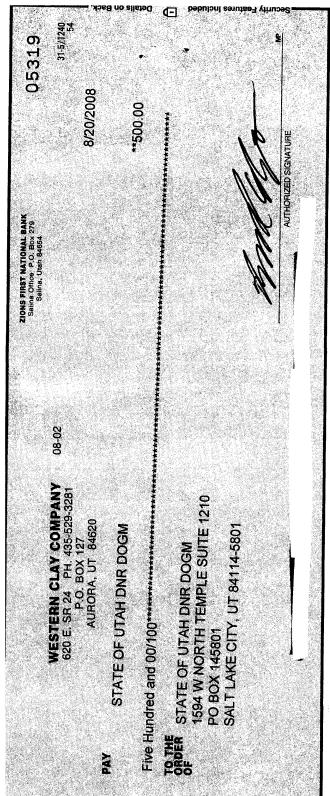
# 101-5 Permit fees

The annual permit fee for mines with over 50 acres of disturbance is \$1,000. Since this amendment increases the disturbed acreage to over 50 acres, please provide an additional \$500 for your annual permit fee.

#### • R647-4-110 - Reclamation Plan

## 110.5 Backfilling and Grading.

Please provide a commitment to compact backfill areas at a maximum of 3-foot lifts. Describe the type of equipment that will be used and the compactive efforts you propose to implement for compacting backfilled areas.



WESTERN CLAY COMPANY
STATE OF UTAH DNR DOGM

MPHIPIZ

8/20/2008

500.00

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Cash in Zions Bank

500.